



# Department for Transport

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From the Secretary of State  
**The Rt. Hon. Chris Grayling**

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17th July 2017

Dear Lilian,

## High Speed Two Update July 2017

17 July marks a major milestone in the Government's plans to deliver High Speed Two. HS2 will support economic growth across the UK. It will provide much needed rail capacity, faster journeys and better connections between cities across the UK.

### Phase One Contracts

As already announced, we will be awarding stage 1 of the Main Works Civil engineering contracts for the Phase One route from London to Birmingham. This stage primarily covers design and pre-construction activities. We expect these contracts to be signed by the end of this month after completion of the mandatory standstill period.

The expected total value of these contracts covering both stage 1 and stage 2, which is the full construction phase, is worth £6.6bn. They will support around 16,000 jobs across the country, and are expected to generate 7,000 contract opportunities in the supply chain of which around 60% are expected to go to SMEs. I have also confirmed the shortlists for the Station Design Contracts and Euston Master Development Partner procurements.

### Phase 2a

I also deposited the Phase 2a High Speed Rail (West Midlands-Crewe) Bill on 17 July. This seeks the powers to construct HS2 from the West Midlands to Crewe so that this section can open in 2027.

The design of the route set out in the Bill is largely as announced in 2015. However, following consultation last year, I have confirmed three refinements to the route.

- South of Crewe, moving the tunnel portal south of the A500 and Weston Lane. This will be the start of the tunnel running under Crewe and which will be built as part of Phase 2b construction.
- South of Crewe, moving the spur lines that connect HS2 to the West Coast Mainline further south and extending their length.
- Near Stone, building a temporary construction facility (railhead) in-between the proposed HS2 route and the M6, which will become a permanent maintenance facility. This facility replaces the depot previously proposed at Crewe (in the Basford area).

I am conscious of the impacts that relocating the Infrastructure Maintenance facility could have for the local community at Stone but I have concluded that this site is a better location from which to construct and maintain Phase 2a.

The new location near Stone, is located midway along the 2a route which means it can support construction activities heading north and south simultaneously, which offers significant programme and construction benefits. Additionally the site at Stone benefits from good transport links with access to the M6 and the existing rail network make this the right location.

Moving the railhead from Crewe also avoids planned housing regeneration in the Basford area and negates the need for maintenance loops at Pipe Ridware, reducing impacts along the 2a route. The construction railhead and infrastructure maintenance facility have also been carefully designed so as to minimise impacts locally.

In preparing this Bill, we have sought to minimise impacts on the environment and communities. Following deposit of the bill, there will now be a consultation on the scheme's Environmental Statement. This will provide the opportunity to comment on the environmental effects of the proposed Phase 2a scheme and the reasonable alternatives considered and reported by HS2 Ltd. This process will result in a report from an Independent Assessor which will be provided to all Members of the House before second reading.

### **Crewe Hub Consultation**

The HS2 business case has always included two trains per hour stopping at Crewe. The Phase 2a Bill includes the interventions needed to support this, but I know that there is a strong ambition to achieve even more. So I am consulting on options to develop a Crewe Hub.

This consultation considers options that could support an HS2 service to Stoke-on-Trent, and improve services to places like Chester, Preston, North and South Wales, Shrewsbury, and Derby.

Future decisions will be subject to affordability, and value for money. Funding the broader vision for a Crewe Hub station will require national and local government to work together, but I believe there is the potential to deliver even more benefits.

### **Phase 2b**

I am also announcing my decision on the outstanding sections of the Phase 2b route to Manchester and Leeds, which we consulted on last year. After carefully considering the responses to consultation, I have decided to confirm the following changes to the route: -

- The Western Leg Rolling Stock Depot will move from a site near Golborne to a site north of Crewe, this site will be included in the full environmental assessment being undertaken for the whole route.
- A 26km section of the route in the Middlewich and Pickmere area of Cheshire will change and be raised as it passes through the Cheshire salt plains, to avoid brining and gas storage infrastructure
- The approach to Manchester Piccadilly station will be adjusted to improve operational efficiency and reduce impacts on residential areas and a primary school.
- The route near East Midlands Airport, will now closely follow the eastern side of the A42. This avoids tunnelling under the airport and reduces the impacts on some communities.
- At Long Eaton, the route will pass through the town on a high viaduct.
- The route in South Yorkshire will be the route we consulted on in 2016 which in part follows the M1 and M18, and serves Sheffield City Centre via a spur from the HS2 line. I am also asking HS2 Ltd to take forward the provision of a northern junction back on to HS2, giving a city-centre to city-centre connection between Leeds-Sheffield in less than 30 minutes. We will also continue to work on a possible parkway station.
- I have decided not to proceed with the proposed change of route to the east of Measham. Instead, I am confirming a modified version of the 2013 Preferred Route to the west of

Measham. In Measham itself, this route is moved approximately 80m and the viaduct extended to mitigate commercial property impacts.

These decisions bring certainty for communities who have been unsure of the route for some years.

I have heard the concerns raised by local communities about the proposed Eastern Leg Rolling Stock Depot at Crofton. HS2 Ltd believes it has found a better option, on which I am now consulting, which is east of Leeds in the Aire Valley adjacent to the M1 on a brownfield site.

I intend to bring forward a third hybrid bill for Phase 2b in 2019. In preparation for that bill, HS2 Ltd is today launching a consultation on the technical scope and methodology to be used in the environmental and equality impact assessments.

### **Phase 2b property**

I am updating the safeguarding directions for the Phase 2b route to protect the land required for construction and operation of the line. The same range of property schemes currently operating for Phases One and 2a will now be available for Phase 2b. This goes over and above what is required by law and gives assistance to those along the line of route. I have also made amendments to some of the detailed urban/rural boundaries for Phase 2b, and to the treatment of properties around tunnel portals.

A report published by property specialists Carter Jonas tells us that the particular circumstance of the Shimmer estate development in Mexborough, South Yorkshire mean this package may not allow some homeowners to acquire a similar property in their local area. In light of the report's findings I therefore also confirm that Government will ensure Shimmer homeowners can secure a comparable local home, as referred to in my summary document "HS2 from Concept to Reality".

### **The case for HS2**

Since privatisation, the number of passenger journeys on our railways has doubled. It has nearly tripled on the key West Coast intercity corridor. We cannot continue to rely on the legacy of our Victorian forbears, far-sighted though they were.

By providing new routes for intercity services, HS2 will free-up space on our existing railways. This will reduce overcrowding and allow options for more varied and frequent services, including for places which currently do not have a good connection to London.

This released capacity could allow more freight trains, taking lorries off our roads. It could also more than double the number of peak seats on busy services from Manchester Piccadilly towards Stoke and Crewe, and from Leeds towards Wakefield compared to today. It has the potential to almost double peak seats from London to Peterborough and East Coast destinations further North.

Any significant investment needs to offer good value for money – as HS2 does. I am publishing the updated business case for Phase 2 which shows that, including the wider economic benefits, the full HS2 network will create £2.30 of benefit for every £1 spent.

### **Integration and Wider Benefits**

When Phase One becomes operational, HS2 trains will run to Manchester, Liverpool, Preston, Warrington, Wigan and Glasgow. Phase Two will further reduce journey times between London and Glasgow and Edinburgh to around 3hr 40 mins. We continue work with Transport Scotland and Network Rail to look at options to further reduce times towards an ultimate ambition of 3 hours. We are also looking at opportunities to use HS2 to support Northern Powerhouse Rail and Midlands Connect.

## Communities

I know that for those living along the line of route there will be concern over how HS2 will affect their homes, communities and businesses. Through careful design and mitigation we have been able to limit the overall noise and visual impact of the Scheme on communities. We will also introduce new measures that will significantly reduce the number of construction vehicles travelling along rural roads.

We will continue to engage extensively with everyone affected by HS2 showing fairness, compassion and respect.

## Close

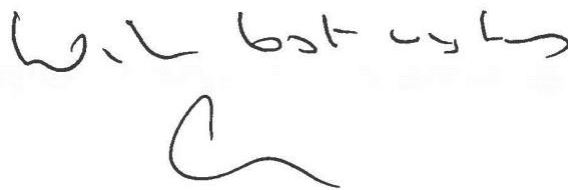
The Government's plan for Britain is a plan to build a stronger, fairer country, with an economy that works for everyone, in which wealth and opportunity are spread across the country and we are set up to succeed in the long term.

Investment in economic infrastructure is a key part of this plan. HS2 will be the new backbone of the UK rail network, it will transform a rail network built for the 19th century into one designed for the 21st century. It will increase capacity and connectivity across our rail network, bring our country closer together, and support economic growth. The benefits of HS2 will be felt across the whole of the UK.

Further detail on all these decisions can be found in a number of documents which will be made available to the house and published on the [www.gov.uk/hs2](http://www.gov.uk/hs2) website. These include -

- An updated Business Case for Phase 2
- The Phase 2a Environmental Statement
- The Phase 2a Equalities Impact Assessment
- Our responses to the Phase 2a and Phase 2b route refinement consultations
- Our response to the Phase 2b property consultation
- An update to the Phase Two business case
- High Speed Two: From Concept to Reality, which is a document summarising today's announcements and the progress we are making on HS2

I will place a copy of this letter in the libraries of both Houses.



**Rt Hon CHRIS GRAYLING MP**

**SECRETARY OF STATE FOR TRANSPORT**